

ESTTA Tracking number: **ESTTA585179**

Filing date: **02/03/2014**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91212131
Party	Plaintiff Barbara Morton
Correspondence Address	WARREN V NORRED NORRED LAW PLLC 200 E ABRAM STE 300 ARLINGTON, TX 76001 UNITED STATES wnorred@norredlaw.com
Submission	Opposition/Response to Motion
Filer's Name	Warren V. Norred
Filer's e-mail	wnorred@norredlaw.com
Signature	/Warren V. Norred/
Date	02/03/2014
Attachments	Further Reply to Motion to Suspend.pdf(539215 bytes) 2013_12_16-AppellantsBrief-FINALa.pdf(1181984 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

BARBARA MORTON

Opposer

v.

TIMARRON OWNERS ASSOCIATION, INC.

Applicant.

§

§

§

§

§

§

§

Opposition No: 91212131

Mark: TIMARRON

In re Trademark No: 85780484

**OPPOSER'S REPLY IN SUPPORT OF HER MOTION TO SUSPEND OPPOSITION
AND OBJECTION TO CONSOLIDATION**

Opposer, **BARBARA MORTON**, dba TIMARRON COLLEGE PREP, provides this additional reply in support of her Motion to Suspend Opposition ("Motion") and Objection to Applicant's Motion to Consolidate.

I. ADDITIONAL BACKGROUND

1. Applicant has recounted accurately the filings in the first ten paragraphs of the introduction section of its "Applicant's Response to Opposer's Motion to Suspend Opposition Pursuant to 37 CFR § 2.117 and Motion to Consolidate Subject to Reinstatement" (hereafter "Applicant's Response").
2. Applicant has forgotten in its recounting of the State Case (Cause No. 096-260449-12, 96th District Court, Tarrant County) that it filed an amended petition which added language making the state court aware of its federal registration application for the text mark, adding claims for business reputation damage, trade dress infringement and dilution, and assertions that its mark is "famous and inherently distinctive". Applicant filed this amended petition on August 13, 2013, nearly a month after Opposer filed her motion for summary judgment to end this dispute in the state case and provide valuable information to the TTAB.

3. Applicant's Response in Paragraph 11 constitutes unwarranted spin, as Applicant now argues that "TIMARRON, in preference of resolving the validity of its and MORTON's respective trademarks in a federal venue prior to final litigation of the question of infringement in a state venue, elected to non-suit and dismiss without prejudice its causes of action against MORTON in the State Case..." A simple reading of the filings shows that Applicant chose to dismiss its claims because it could not meet Opposer's motion for summary judgment, and hopes to fare better before the TTAB.
4. Applicant argued exactly opposite of this in asking the TTAB to suspend its opposition to Opposer's trademark registration in Opposition 91207557 in opposition to Opposer's trademark application, S/N 85516680. The TTAB agreed with Applicant.
5. At the dismissal of the State Court Case, Applicant was able to convince the trial court that a dismissal of its claims also dismissed Opposer's claims. However, Opposer has appealed that case, and expects to see that error corrected. The appeal brief and appendix is attached.
6. Having had the benefit of stalling the registration of Opposer's registration, Applicant is suddenly enthusiastic about judicial efficiency and moving these cases along...before the appeals court addresses the trial court's error.
7. As the case is in appeal, Opposer seeks efficient adjudication of these issues and objects to having to go through it a second time. Opposer asks that the TTAB allow the appeal to be completed before further action on this case.
8. Applicant cannot claim any sudden need to have this mark registered, as it did not begin the process until after filing its infringement suit against Opposer in the State Court Case.

9. After arguing in favor of having this dispute handled largely by the State Case, and having utterly failed in that effort, Applicant now seeks to get a second bite at the apple, causing yet more expense to no good cause.
10. Opposer requests that the TTAB allow Applicant the full benefit of the request that it made - to allow the state case to proceed to its completion, rather than allowing Applicant to skip from one court to the next, hoping to extort some sort of settlement from Opposer.
11. Opposer would respectfully suggest that Applicant's Motion to Consolidate be denied until such time as the State Court Case appeal is completed.

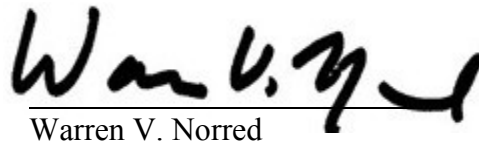
Prayer

WHEREFORE, Opposer respectfully requests that the TTAB grant its Motion to Suspend and deny Applicant's Motion to Consolidate until such time as the appeal in the State Court Case is concluded.

Respectfully submitted,

By: Warren V. Norred/
Warren V. Norred, Texas Bar No. 24045094
200 E. Abram, suite 300, Arlington, TX 76001
Tel. (817) 704-3984, Fax. (817) 549-0161
Attorney for PLAINTIFFs

CERTIFICATE OF SERVICE - I certify that on February 2, 2013, a true and correct copy of the above was served by fax to John Wilson at 972.248.8088.


Warren V. Norred

CAUSE NO. 02-13-00409-CV

IN THE COURT OF APPEALS
FOR THE SECOND JUDICIAL DISTRICT OF TEXAS
FORT WORTH, TEXAS

Barbara Louise Morton d/b/a Timarron College Prep
Appellant

V.

Timarron Owners Association, Inc.
Appellee

Trial Court Cause No. 096-260449-12
Hon. R. H. Wallace, Jr., Presiding Judge

BRIEF OF APPELLANT

NORRED LAW, PLLC

Warren V. Norred
TX Bar Number 24045094
200 E. Abram, Suite 300
Arlington, TX 76010
P. 817.704.3984; F. 817.549.0161
Attorney for Appellant

ORAL ARGUMENT REQUESTED

I. *Identity of Parties and Counsel*

The following is a list of all parties and all counsel in this matter:

- A. Appellant is Barbara Louise Morton d/b/a Timarron College Prep, defendant in the trial court.

The attorney representing Appellant is:

Norred Law, PLLC
Warren V. Norred, State Bar Number: 24045094
200 E. Abram, Suite 300
Arlington, TX 76010
P. 817.704.3984; F. 817.549.0161
wnorred@norredlaw.com

- B. Appellee is Timarron Owners Assoc., Inc, plaintiff in the trial court.

The attorney representing Appellee is:

Wilson Legal Group P.C.
John T. Wilson, State Bar Number 24008284
16610 Dallas Parkway, Ste. 1000
Dallas, TX 75248-6806
P. 972.248.8080 F. 972.248.8088
john@wilsonlegalgroup.com

II. *Table of Contents*

I.	<i>Identity of Parties and Counsel</i>	1
II.	<i>Table of Contents</i>	2
III.	<i>Index of Authorities</i>	1
IV.	<i>Statement of the Case</i>	1
V.	<i>Statement Regarding Oral Argument</i>	3
VI.	<i>Statement of Jurisdiction</i>	3
VII.	<i>Issues Presented</i>	3
VIII.	<i>Statement of Facts</i>	3
IX.	<i>Brief Procedural History</i>	5
X.	<i>Summary of the Argument</i>	7
XI.	<i>Arguments</i>	9
XII.	<i>Prayer</i>	13
XIII.	<i>Appendix - The following documents are included in the attached Appendix.</i>	14

III. *Index of Authorities*

Statutes

TEX. BUS. & COMM. CODE § 16.26	8
TEX. CIV. PRAC. & REM. CODE § 51.012	5
Tex. Civ. Prac. & Rem. Code § 73.001	3
Tex. Gov't Code § 22.220	5

Cases

<i>BHP Petroleum Co. v. Millard</i> , 800 S.W.2d 838 (Tex. 1990).....	9, 10
<i>Digital Imaging Assocs. v. State</i> , 176 S.W.3d 851 (Tex.App.--Houston [1st Dist.] 2005, no pet)	9, 11
<i>ECC Parkway Joint Venture v. Baldwin</i> , 765 S.W.2d 504, 514 (Tex. App.--Dallas 1989, writ denied).....	12
<i>Falls County v. Perkins & Cullum</i> , 798 S.W.2d 868, (Tex.App.--Fort Worth, no writ.)	10, 11
<i>J.C. Hadsell & Co., Inc. v. Allstate Ins. Co.</i> , 516 S.W.2d 211, 213-14 (Tex. Civ. App. -- Texarkana 1974, writ dism'd w.o.j.)	12
<i>Newman Oil Co. v. Alkek</i> , 614 S.W.2d 653 (Tex.Civ.App.--Corpus Christi 1981, writ ref'd n.r.e.)	9, 11
<i>Noe v. McLendon</i> , 2007 Tex. App. LEXIS 5708 (Tex.App.--Fort Worth 2007, no pet.).....	12
<i>Page v. Page</i> , 780 S.W.2d 1 (Tex.App.--Fort Worth 1989, no writ).....	12
<i>Placid Oil Co. v. Louisiana Gas Intrastate, Inc.</i> , 734 S.W.2d 1, 5 (Tex. App. -- Dallas 1987, writ ref'd n.r.e.).....	13
<i>Tex. Mut. Ins. Co. v. Ledbetter</i> , 251 S.W.3d 31 (Tex. 2008).....	10
<i>Winslow v. Acker</i> , 781 S.W.2d 322, 328, 1989 Tex.App.--San Antonio 1989, writ denied)	13

IV. *Statement of the Case*

1. Appellant provides tutoring services, identified with the public using the common law trademark "Timarron College Prep", that has been active since 2008, during which time it has provided tutoring services, which falls under trademark International Class 41.
2. Appellee owns "Timarron Owners Association, Inc.", which is a Texas-registered trademark under International Class 36 in 2003.
3. Appellee filed a civil suit for trademark infringement, unjust enrichment, tortious interference with prospective business relations, and unfair competition, and sought actual damages, special damages, and costs of suit.

4. During the pendency of the civil suit, both parties began the registration process with the United States Patent and Trademark Office ("USPTO")¹, and both parties filed oppositions² before the USPTO³ to prevent the other party from obtaining its registration.
5. Appellee successfully requested that the USPTO abate the opposition on the trademark disputes until this Texas civil case was concluded, arguing over Appellant's objection that the results of this state case would provide valuable insight and factual conclusions to assist in adjudication of the trademark oppositions and registration process before the USPTO.
6. Appellant filed a motion for summary judgment to end the dispute in the state case. On the date on which Appellee's response was due, Appellee dismissed its claims, and argued that its dismissal ended the dispute because Appellant's counterclaims were merely defensive. Appellant argued that Appellee's dismissal could not eliminate Appellant's counter-claims for declaratory judgment and attorney fees because the counter-claims were not merely defensive, and had greater ramifications for the trademark disputes before the USPTO.
7. After receiving argument from the parties, the trial court entered Appellee's dismissal.
8. Appellant asks the Court of Appeals to reverse the trial court's ruling dismissing Appellant's counterclaims, and remand the case to the trial court for consideration of Appellant's motion for summary judgment.

¹ Timarron Owners' Assoc. Inc. actually applied for three trademarks employing the "Timarron" name; the other two are not in dispute, as they are stylized marks and do not conflict with Appellant's text-only mark.

² As paraphrased from <http://www.uspto.gov/trademarks/law/TTAB.jsp> - An opposition proceeding is an administrative process available before the United States Patent and Trademark Office's Trademark Trial and Appeal Board. In an opposition, a person may oppose the trademark application of another party in order to stop that party from obtaining a federal registration. Before a trademark can register, the mark must be published for opposition in the *Official Gazette*. Publication starts the opposition period, which initially lasts 30 days, but may be extended. During the original opposition period, any party who believes that it would be damaged if the published mark obtains registration may oppose registration. Although there are many possible grounds for opposition, the most common one is a claim that a likelihood of confusion exists between the trademarks. In this type of proceeding similar to a civil court case, a three-judge panel issues a decision after both sides have had an opportunity to present their evidence and make arguments in legal briefs before the Board.

³ References to the USPTO in this document may be to the trademark examination process, or to the Trademark Trial and Appeal Board, depending on context.

V. *Statement Regarding Oral Argument*

9. The Court would benefit from oral argument in this case because having the attorneys present for oral argument to answer the Court's questions regarding the dispute's interaction with the trademark disputes before the USPTO and aid the Court to resolve the case more quickly.

VI. *Statement of Jurisdiction*

10. This Court has jurisdiction under TEX. GOV'T CODE § 22.220 and TEX. CIV. PRAC. & REM. CODE § 51.012.

VII. *Issues Presented*

11. The trial court erred as a matter of law when it granted Appellee's Motion to Dismiss, as the decision is incompliant with TEX. R. CIV. PRO. § 162, in that the dismissal prejudiced Appellant's right to be heard on a pending claim for affirmative relief.

12. The trial court erred as a matter of law when it granted Appellee's Motion to Dismiss because Appellant had claimed attorney's fees, and TEX. R. CIV. PRO. § 162 states that a dismissal shall have no effect on any motion for attorney's fees pending at the time of dismissal.

VIII. *Statement of Facts*

13. The following facts must be considered as true from the Appellant's evidence and pleadings under the standard of review this Court applies to appellate proceedings, in that admissible evidence was provided to support all of the facts asserted, and no contravening evidence was offered.

14. Since 1999, Appellant has provided tutoring services from Southlake, Texas, using the word "Timarron" in her business name since that time, and specifically doing business as "Timarron College Prep" since May 2008. [C.R. 34, ¶9]

15. Appellee, a homeowners association, owns a Texas-registered trademark for insurance and financial services, falling under trademark International Class 36. [C.R. 14]

16. So many businesses use the word "Timarron" in Southlake and the surrounding area that it provides no identification of a provider of any particular good or service. [C.R. 32, ¶2]

17. The word "Timarron" has been used openly for years by the following businesses:

- a. "The Courtyard at Timarron" is a current business in Southlake, TX.
- b. "The Villages at Timarron" is a current business in Southlake, TX.
- c. "Timarron Family Medicine, PA" is a current business in Southlake, TX.
- d. "Timarron at Creekside Park" is a current business in Southlake, TX.
- e. "Timarron Financial Services, LLC" is a current business in Southlake, TX.
- f. "Timarron Partners, Inc." is a current business in Grapevine, TX.
- g. "Timmaron LLC" is a current business in Richardson, TX.
- h. "Timarron Capital Inc" is a current business in Irving, TX.
- i. "Timarron Custom Homes, Inc." is a current business in Keller, TX.
- j. "Timarron Venture, Ltd." is a current business in Dallas, TX.
- k. "Timarron Venture One, L.C." is a current business in Dallas, TX.
- l. "Timarron Shopping Center, L.P." is a current business in Dallas, TX.
- m. "Timarron Mortgage Group Inc." is a current business in Dallas, TX.
- n. "Timarron Land Corporation" is a current business in Mesquite, TX.
- o. "Timarron Skin & Laser" is a current business in Southlake, TX.
- p. "Timarron Professional Eye" is a current business in Southlake, TX.
- q. "Timarron Golf Club Maintenance" is a current business in Southlake, TX.
- r. "Timarron Family Medicine" is a current business in Southlake, TX.
- s. "Village at Timarron 4120" is a current business in Southlake, TX.
- t. "Timarron Tiger Sharks" is a current business in Southlake, TX.

[C.R. 32-33, ¶3; 33, ¶6]

18. As an example of the USPTO's adjudication of marks concerning the word "Timarron", the Court should note that the USPTO provided a Notice of Allowance for "TIMARRON CAPITAL, INC." as a standard character mark in 2006 for commercial loan services. Though that mark was

eventually abandoned for lack of use, the USPTO did not see any conflict between "TIMARRON CAPITAL, INC" and "TIMARRON OWNERS ASSOC., INC." [C.R. 33, ¶5]

19. No reasonable person would see all of the businesses with the name "TIMARRON" in and around Southlake, TX and think that they were all owned by the same organization. [C.R. 33, ¶6]

20. Appellee has previously filed trademark infringement suits against organizations using "Timarron", most recently losing at summary judgment against Neighborhood Networks Publishing, Inc. in the 352th District Court, Cause No. 352-260448-12. [App. A, p.163]

IX. *Brief Procedural History*

21. On January 13, 2012, Appellant filed an application for federal trademark registration for her use of "Timarron College Prep" with her tutoring service. [C.R. 79-86]

22. About July 26, 2012, Appellee filed suit in the 96th District Court, Tarrant County, for trademark infringement under TEX. BUS. & COMM. CODE § 16.26, unjust enrichment, tortious interference with prospective business relations, and unfair competition. Appellee alleged that Appellant's use of the trademark caused confusion in the marketplace, directly and detrimentally impacting Appellee's ability to consummate sales with customers. [C.R. 4]

23. About September 7, 2012, Appellant denied the allegations in Appellee's Original Petition, and responded with a counterclaim for declaratory judgment that it was not infringing any trademark belonging to Appellant, as well as a claim to cancel Appellee's Texas-registered mark after transfer to Travis County, tortious interference with business relations, and attorney fees pursuant to CPRC § 37. [C.R. 19]

24. On October 18, 2012, Appellee filed Opposition 91207557 to Appellant's federal trademark application S/N 85516680, and then moved for a suspension of that opposition on June 12, 2013, arguing that the instant case would resolve the matter. On July 2, 2013, Appellant filed a response,

arguing that the state case could be handled by the 96th District Court and the trademark oppositions by the USPTO. The USPTO granted the motion to suspend. [C.R. 110-114]

25. On November 15, 2012, Appellee filed an application for federal trademark registration for its use of "Timarron" in financial and insurance services. [App. A, p.1]

26. On May 21, 2013, Appellant requested and received an extension of time to file opposition to Appellee's application S/ N 85780484, setting the deadline to August 21, 2013. [App. A, p.169]

27. About July 15, 2013, Appellant filed *Defendant's Traditional and No-Evidence Motion for Summary Judgment* ("Appellant's MSJ") against Appellee's claims, as Appellee could show no evidence that Appellant used Appellee's registered mark in connection with the selling and offering for sale of goods that were likely to deceive or cause confusion or mistake as to the source or origin of said good, which is required to constitute infringement under TEX. BUS. & COMM. CODE § 16.26, because Appellee's mark represents only insurance & financial products found in International Trademark Class 36, and Appellant uses the mark only to advertise tutoring services that no reasonable person could associate with Plaintiff's mark. [C.R. 26]

28. About August 13, 2013, Appellee filed *Plaintiff's First Amended Petition*, asserting additional infringement causes of action. [C.R. 39]

29. On August 15, 2013, a week prior to the scheduled hearing on August 22, 2013 for Appellant's MSJ to be heard and on the day that Appellee's response to Appellant's MSJ was due, Appellee filed its *Plaintiff's Notice of Non-Suit and Dismissal Without Prejudice as to Entire Suit with Brief in Support*. (Appellee never filed a response to Appellant's MSJ.) [C.R. 58]

30. On August 20, 2013, the trial court entered an order of dismissal, dismissing the case without prejudice. [C.R. 69] However, the court vacated the order of dismissal during the hearing on Appellant's MSJ on August 22, 2013. [C.R. 71] The court permitted a two-week period for

Appellant to file a response to Appellee's *Notice of Non-Suit*, stating that the court would rule on the dismissal thereafter based on the submitted arguments. [R.R. 29:11-13]

31. On August 21, 2013, Appellant filed Opposition 91212131 to registration of Appellee's application for "Timarron", S/N 85780484. [App. A, p.2]

32. On Aug. 26, 2013, Appellant filed her *Objection to Notice of Nonsuit and Motion to Strike*. [C.R. 72]

33. On September 3, 2013, Appellee filed *Plaintiff's Response to Defendant Morton's Objection to Plaintiff's Notice of Non-Suit and Motion to Strike and Plaintiff's Motion for Entry of Order of Dismissal Based on Notice of Nonsuit filed 08/15/13 and Brief in Support*. [C.R. 153]

34. On October 28, 2013, the court dismissed Appellant's counter claims and denied Appellant's Motion for Summary Judgment. [C.R. 314]

35. On November 18, 2013, Appellant filed her Notice of Appeal. [C.R. 316]

36. On December 11, 2013, Appellant moved for suspension of her opposition until the appeal on the instant case is concluded. [App. A, p.62]

X. *Summary of the Argument*

37. Appellee asserts that Appellant's counter-claims for declaratory action and attorney fees are mere mirrors of Appellee's original claims, so they are dismissed pursuant to Rule 162 and case law, citing *BHP Petroleum Co. v. Millard*, 800 S.W.2d 838 (Tex. 1990), *Newman Oil Co. v. Alkek*, 614 S.W.2d 653 (Tex.App.--Corpus Christi 1981, writ ref'd n.r.e.), and *Digital Imaging Assocs. v. State*, 176 S.W.3d 851 (Tex.App.--Houston [1st Dist.] 2005, no pet).

38. Appellant argues that TEX. R. CIV. PRO 162 allows Appellant's counterclaim for attorney fees to survive the dismissal, and also argues that in the Second Court of Appeals, her counterclaim for attorney fees is an affirmative relief claim that survives plaintiff's dismissal

pursuant to controlling case law, citing *Falls County v. Perkins & Cullum*, 798 S.W.2d 868, (Tex.App.--Fort Worth, no writ.).

39. Appellant additionally argues that her counter-claims are more than mere mirrors of Appellee's original claims, because she is currently seeking registration of her trademark in the USPTO, which has abated proceedings until this dispute is adjudicated. Appellant argues that the registration of her trademark and the intertwined opposition proceedings are an affirmative relief relying on this case, as Appellee's own arguments state. [C.R. 144-152]

40. In all of Appellee's argument, never does Appellee address why the two pending trademark registrations and oppositions do not constitute more than "mere mirrors" of Appellee's original claims. In no way can this complex case involving ongoing trademark litigation be considered analogous to a simple-minded attempt to shoehorn attorneys fees into a case where such does not belong.

41. Because other proceedings depend upon the outcome of Appellant's claims, and constitutes "true declaration controlling an ongoing and continuing relationship" as discussed in *BHP Petroleum Co. v. Millard*, 800 S.W.2d 838, 841 (Tex. 1990), case law does not support Appellee authority in this case to unilaterally terminate the suit in full. *Tex. Mut. Ins. Co. v. Ledbetter*, 251 S.W.3d 31 (Tex. 2008).

42. Appellant reiterates that Declaratory Judgment is appropriate in this case, as her argument is distinguished from that of Appellee on at least one note, in that the parties' trademark registrations and oppositions, which have been abated until the adjudication of this case, constitutes an "ongoing and continuing relationship," dependent upon the outcome of Appellant's claims.

43. Furthermore, Appellant argues that the doctrine of estoppel should have been applied in this case, as Appellee should have been barred from arguing against its winning position at the federal level in this case, as it argued that adjudication of the case would assist the USPTO in its treatment of the trademark oppositions between the parties. As a result of Appellee's successful argument abating the oppositions filed between the parties before the USPTO, Appellant has been unable to obtain her trademark. Appellee took a legal position, benefitted from it, and is thus estopped from changing his mind with the court's blessing.

XI. Arguments

A. Appellant's request for attorney fees pursuant to the Texas Declaratory Act is a claim for Affirmative Relief in the Second Court of Appeals.

44. Appellee states that a defensive claim for attorney fees is not an affirmative claim for relief, citing *Newman Oil Co. v. Alkek*, 614 S.W.2d 653 (Tex.Civ.--Corpus Christi 1981, writ ref'd n.r.e.), *Digital Imaging Assocs. v. State*, 176 S.W.3d 851 (Tex.App.--Houston [1st Dist.] 2005, no pet.), and several other cases that are not controlling. [C.R. 62]

45. Appellee's arguments, written and oral, tends to inappropriately blend the absolute right to nonsuit his own claims as stated in Rule 162 with a right to demand that a court dismiss all claims and the case in full. [C.R. 62, ¶7]

46. In the Second Court of Appeals, however, a claim for attorney fees pursuant to the Texas Declaratory Act has been found to be an affirmative claim for relief. For example, in *Falls County v. Perkins & Cullum*, 798 S.W.2d 868, 871 (Tex.App.--Fort Worth 1990, no writ), Judge Spurlock explained that several courts have recognized that a claim for attorney fees under the Declaratory Act is a "claim for affirmative relief", and cited holdings from courts all over the state, including *ECC Parkway Joint Venture v. Baldwin*, 765 S.W.2d 504, 514 (Tex. App.--

Dallas 1989, writ denied), *J.C. Hadsell & Co., Inc. v. Allstate Ins. Co.*, 516 S.W.2d 211, 213-14 (Tex.App.--Texarkana 1974, writ dism'd w.o.j.), and of course, the Second Court of Appeals in *Page v. Page*, 780 S.W.2d 1 (Tex.App.--Fort Worth 1989, no writ). More recently, this holding remains undisturbed, including *Noe v. McLendon*, 2007 Tex. App. LEXIS 5708 (Tex.App.--Fort Worth 2007, no pet.).

47. In each of the cases cited above, an appeals court has determined that a claim for attorney fees pursuant to a declaratory action should survive a nonsuit. Appellee appears to enjoy making proclamations about its ability to nonsuit at will, which Appellant does not contest, but then confuse that with an ability to eliminate all claims against it by that nonsuit.

48. Case law in the Second Court of Appeals is clear - attorney fees are a claim for affirmative relief which survive a plaintiff's non-suit if the adverse party's counterclaims are addressing more than merely a negative position of plaintiff's claims.

49. In the instant case, Appellee specifically is suing on infringement of its Texas-registered mark "Timarron" mentioned in Appellee's Original Petition. [C.R. 5,¶6] However, Appellant sought a declaration that she was not infringing *any* mark held or owned by Appellee [C.R. 20, ¶7]. Appellee has more than one common law mark, currently owning two federal registrations and a third for which Appellee has filed but Appellant has opposed formally. Therefore, if there was any question about whether the counter-claims were merely defensive, that question was answered when Appellee filed additional federal registrations.

B. Appellant's request for Declaratory Relief is proper under the Texas Declaratory Judgment Act

50. Appellee argues that Appellant's cause of action for declaratory relief is improper under the Texas Declaratory Judgment Act in that Appellant's cause of action for declaratory relief

merely seeks to settle disputes that were already pending before the trial court in Appellee's original claims.

51. Appellant argues that according to Rule 162, a dismissal by a party does not impact an adverse party's claim for affirmative relief or attorney fees if the claim has greater ramifications than found in the original suit.

52. While Appellee correctly argues that a defendant's claim for declaratory judgment which is a mere mirror of a plaintiff's claims is terminated by the plaintiff's nonsuit, case law indicates clearly that "when a declaratory judgment counterclaim has greater ramifications than the original suit, the court may allow the counterclaim." *Winslow v. Acker*, 781 S.W.2d 322, 328, 1989 Tex.App.--San Antonio 1989, writ denied), citing *Placid Oil Co. v. Louisiana Gas Intrastate, Inc.*, 734 S.W.2d 1, 5 (Tex.App. -- Dallas 1987, writ ref'd n.r.e.).

53. In *Winslow*, the counterclaim would settle an ongoing royalty interest dispute, so the appeals court determined that the counterclaim had more than the sole purpose of providing a vehicle to obtain attorney fees.

54. Appellee argues that "the determination of greater ramifications in relation to a declaratory judgment claim depends upon the parties having an ongoing and continuing relationship, most commonly a contractual one". [C.R. 163, ¶19] Appellant argues that the ongoing trademark disputes constitute an "ongoing and continuing relationship."

55. In the case at bar, Appellant is attempting to obtain federal registration of her trademark [C.R. 79-83]. Appellee filed a suit to stop Appellant from obtaining her trademark from the USPTO [C.R. 96-102], and then asked the USPTO to suspend proceedings in that dispute until the case at bar is adjudicated [C.R. 110-114].

56. In its arguments, Appellee argues the point it now argues against, shown in paragraph eight, copied from the document [C.R. 112].

8. Accordingly, Timarron Owners Association, Inc. respectfully requests that this Board suspend this action in light of the Civil Lawsuit for the reason that the Civil Lawsuit, because it includes a cause of action for trademark infringement related to the Mark and seeks declaratory relief determining the owner of the Mark, is likely to have a substantial bearing on the outcome of this proceeding.

57. To be fair, Appellant argued that this state case *did not have* bearing on the national case in front of the USPTO; after Appellant objected, Appellee then reiterated its argument:

4. TOA's Motion to Suspend should be granted in the interests of judicial economy in that there is no need for this opposition proceeding to be ongoing as a separate legal proceeding from the Civil Litigation, when one will have a determinative bearing on the other.

58. Appellee goes on through this document, arguing exactly opposite to what it now states so emphatically in court:

III. Conclusion

For these reasons, and because the Civil Litigation in which Timarron Owners Association, Inc. and Timarron College Prep are currently engaged will likely have a determinative bearing on this Opposition proceeding, Timarron Owners Association asks The Trademark Trial and Appeal Board to suspend this Opposition proceeding pending the resolution of the Civil Litigation.

59. The USPTO was convinced by Appellee to suspend the opposition. Having had his cake at the USPTO, Appellee now wants to argue just the opposite and ask this Court let him eat his cake in this Court as well.

60. Appellant asked that the court take judicial notice of the USPTO documents, as they are readily available to the public on the USPTO's online system. Appellant previously asked the trial court to take judicial notice of these files, and Appellee did not object. [C.R. 76, ¶15] To assist the Court, the documents filed in the two oppositions are attached in Appendix A and B.

61. Appellee should be estopped from arguing against his winning position at the federal level in this case. Appellant had to pay a price for Appellee's win, as she has been unable to obtain her trademark; Appellee cannot now say in this court that its argument was wrong.

62. The USPTO's decision at the Trademark Trial and Appeal Board is three pages and worth reading in full. It grants the suspension, concluding with the statement that "the state court's determination regarding these issues may provide some persuasive insight with regard to opposer's claim of priority and likelihood of confusion asserted in this proceeding." [App. B, 12]

63. As the case law points out, and as Appellee has already argued in this case, the ramifications of this case extend beyond this particular case. Appellant's counter-claims should remain alive, and be adjudicated in the Court where Appellee requested such and where so much work has already been completed.

XII. *Prayer*

64. Appellant prays that this Court reverse the trial court's ruling and judgment, and remand the case back to the trial court for further proceedings.

Respectfully submitted,

NORRED LAW, PLLC

By: 

Warren V. Norred; TX Bar Number 24045094
200 E. Abram, Suite 300; Arlington, TX 76010;
P. 817.704.3984; F. 817.549.0161

Attorney for Appellant Barbara Louise Morton d/b/a Timarron College Prep

CERTIFICATE OF COMPLIANCE BY COUNSEL - This is to certify that the word count of this appeal brief is less than 5000 words.

By: Warren V. Norred
Warren V. Norred; TX Bar Number 24045094

CERTIFICATE OF SERVICE - A copy of this Appellant's Brief was served upon John Wilson, counsel for Appellee, via electronic service (972-248-8088), pursuant to Rule 9.5 of Texas Rules of Appellate Procedure on this day, February 2, 2013.

Warren V. Norred
Warren V. Norred; Attorney for Appellant

XIII. Appendix - The following documents are included in the attached Appendix.

- A. Documents constituting Opposition 91212131, filed by Appellant to oppose Appellee's trademark application S/ N 85780484.
- B. Documents constituting Opposition 91207557, filed by Appellee to oppose Appellant's trademark application, S/N 85516680.